

November 15, 2004

Ms. Beth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

RECEIVED

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**PUBLIC SERVICE
COMMISSION**

Re: Case No. 2000-129

Dear Ms. O'Donnell:

As part of the Order issued by the Commission in the above referenced case, Columbia Gas of Kentucky was required to file certain information on August 15, 2000 and quarterly thereafter and as such situations occur. Please find the quarterly information and Articles of Incorporation of a new affiliate that will be doing business in Kentucky attached hereto.

Sincerely,



Judy M. Cooper
Director, Regulatory Policy

cc: Anita Mitchell

**BEFORE THE PUBLIC SERVICE COMMISSION
CASE NO. 2000-129
INFORMATION REQUESTED BY THE PUBLIC SERVICE COMMISSION
IN ORDER DATED JUNE 30, 2000**

From the Order at Page B-6:

A report detailing the proportionate share Columbia of Kentucky (CKY) has in Columbia Energy Group's (CEG) total operating revenues, operating and maintenance expense, and number of employees.

Response:

See attached.

Columbia Energy Group and Columbia of Kentucky
 Proportionate Shares
 For the Quarter Ended September 30, 2004

	<u>Columbia of Kentucky</u>		<u>Columbia Energy Consolidated</u>		<u>NiSource Inc.</u>	
Gross Revenue	\$	155,485,101 2.44%	\$	3,094,849,419 49%	\$	6,380,593,815 100%
Operating & Maintenance Expenses	\$	26,369,670 2.19%	\$	685,167,893 57%	\$	1,202,502,268 100%
Employees		165 1.89%		3,726 43%		8,712 100%

**BEFORE THE PUBLIC SERVICE COMMISSION
CASE NO. 2000-129
INFORMATION REQUESTED BY THE PUBLIC SERVICE COMMISSION
IN ORDER DATED JUNE 30, 2000**

From the Order at Page B-6, Quarterly Item 2:

A report listing the number of employees of Columbia Energy and each subsidiary on the basis of payroll assignment.

Response:

See attached.

Columbia Energy Group

Subsidiary Staffing As of September 30, 2004

	TOTAL
Columbia Gas of Kentucky Inc	169
Columbia Gas of Ohio Inc	1,166
Columbia Gas of Maryland Inc	43
Columbia Gas of Pennsylvania Inc	630
Columbia Gas of Virginia Inc	212
Columbia Gulf Transmission Co	243
Columbia Gas Transmission Corp	1,266
CNS Microwave Inc	2
GRAND TOTAL	3,731

**BEFORE THE PUBLIC SERVICE COMMISSION
CASE NO. 2000-129
INFORMATION REQUESTED BY THE PUBLIC SERVICE COMMISSION
IN ORDER DATED JUNE 30, 2000**

From the Order at Page B-6, Quarterly Item 3:

Twelve-month income statements and balance sheets. CKY will separately report Kentucky jurisdictional operations and other jurisdictional operations.

Response:

- a. CEG Consolidated Income Statement as of September 30, 2004

See attached

- b. CEG Consolidated Balance Sheet as of September 30, 2004

See attached

- c. CKY Income Statement as of September 30, 2004

See attached

- d. CKY Balance Sheet as of September 30, 2004

See attached

Columbia Energy Group and Subsidiaries
Rolling 12-Month Income Statement
For Period Ended June 30, 2004

For 12 Months Ended
September 2004

409999000 Total Gas Distribution Sales Revenues	2,064,785,345
439999000 Total Electric Revenue	-
419999000 Total Gas Transportation Revenue	829,566,559
429999000 Total Gas Storage Revenue	104,321,884
459999000 Merchant Operations	-
449999000 Total Explor & Production Revenue	-
489999000 Total Other Revenue	96,175,631
499999000 Gross Revenues	3,094,849,419
500999000 Total Gas Purchased for Resale	1,311,850,931
501999000 Fuel for Electric Generation	-
502999000 Total Purchased Power	-
504999000 Gas Storage Total	-
503999000 Total Gas Marketing Costs	63,601,728
579999000 Total Other COS	160,318
580000000 FAS 133 Gain/Loss	14,152
589999000 Total Cost of Sales	1,375,627,129
599999000 Total Net Revenues	1,719,222,290
689999000 Total Operation & Maintenance	685,167,893
690999000 Depreciation, Depletion, & Amortization	166,316,027
693999000 Total Loss on Asset Impairment	-
691999000 Total Gain on Sale of Assets/Property	-2,158,546
692999000 Other Taxes	173,808,597
698999000 Total Operating Expenses	1,023,133,971
699999000 Operating Income	696,088,319
Interest Expense, Net	-91,741,834
701999000 Minority Interest	-
Dividend Req's Pref. Stock	-
703999000 Other, Net	22,473,595
709999000 Total Other Income (Deductions)	-69,268,240
719999000 Income from Cont Operations before Taxes	626,820,079
728999000 Income Taxes	209,363,635
729999000 Income from Continuing Operations	417,456,444
730999000 Income from Discontinue Ops - Net of Tax	3,582,599
731999000 Change in Accounting - Net of Taxes	-
Net Income Before Subsidiaries	421,039,043
732999000 Total Earnings of Subsidiaries	-
739999000 Net Income	421,039,043
740000000 Dividend Req'd on Pref Stock	-
759999000 Balance Avail for Common Shares	421,039,043

Columbia Energy Group and Subsidiaries
Balance Sheet
ended September 30, 2004

September 2004

ASSETS

Property, Plant and Equipment

Utility Plant	8,302,804.50
Accumulated Depreciation and Amortization	-3,705,699.91
Net Utility Plant	4,597,104.59
Gas and Oil Producing Properties, Successful Efforts Method	
Other property at cost less accum deprec	1,838.64
Net Property, Plant and Equipment	4,598,943.23

Investments and Other Assets

Assets of Discontinued Operations & Assets Held for Sale	19,200.97
Unconsolidated Affiliates	35,199.79
Other Investments	41,969.60
Total Investments	96,370.36

Current Assets

Cash and Cash Equivalents	20,895.01
Cash Invested in the NiSource Money Pool	307,099.63
Restricted Cash	624.99
Accounts Receivable - Unaffiliated	145,394.25
Accounts Receivable - Affiliated	31,189.69
Unbilled Revenue	31,677.51
Gas Inventory	389,943.37
Underrecovered gas and fuel costs	141,571.24
Materials and Supplies, at Average Cost	20,913.76
Price Risk Management Assets (Current)	53,638.65
Exchange gas receivable	123,940.44
Current regulatory assets	96,654.04
Prepayments and Other	40,131.12
Total current assets	1,403,673.70

Other Assets

Price Risk Management Assets (Noncurrent)	122,942.07
Noncurrent regulatory assets	348,444.39
Intangible assets, less accum amort	36.16
Deferred charges and other	105,690.97
Total Other Assets	577,113.59
Total Assets	6,676,100.89

Columbia Energy Group and Subsidiaries
Balance Sheet
ended September 30, 2004

September 2004

CAPITALIZATION and LIABILITIES

Capitalization

Common Stock Equity	2,823,670.41
Preferred Stocks -	
Company-obligated mandatorily redeemable preferred securities	
Long-term debt, excluding amounts due within one year	1,356,662.04
Total capitalization	4,180,332.44

Current Liabilities

Current portion of long-term debt	317.91
Accounts Payable - Unaffiliated	115,695.40
Accounts Payable - Affiliated	18,946.49
Dividends payable	-
Customer deposits	23,056.92
Taxes accrued	114,444.52
Interest accrued	36,494.50
Overrecovered gas & fuel costs	7,853.75
Price risk management liabilities (current)	6,594.38
Exchange gas payable	247,987.86
Current deferred revenue	23,601.69
Current regulatory liabilities	29,822.44
Accrued liability for postretirement and postemployment benefits-	18,020.08
current	
Other Accruals	281,386.98
Total current liabilities	924,222.92

Other Liabilities and Deferred Credits

Deferred income taxes	806,991.61
Deferred investment tax credits	25,827.27
Deferred credits	50,285.55
Noncurrent deferred revenue	93,172.89
Accrued liability for postretirement and postemployment benefits-	92,373.60
noncurrent	
Noncurrent regulatory liabilities	378,397.26
Other noncurrent liabilities	124,497.34
Total noncurrent liabilities	1,571,545.52

Total capitalization & liabilities	6,676,100.89
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Columbia Gas of Kentucky, Inc.
Rolling 12-Month Income Statement
For Period Ended June 30, 2004

For 12 Months Ended
September 2004

409999000 Total Gas Distribution Sales Revenues	131,526,986
439999000 Total Electric Revenue	-
419999000 Total Gas Transportation Revenue	23,638,846
429999000 Total Gas Storage Revenue	-
459999000 Merchant Operations	-
449999000 Total Explor & Production Revenue	-
489999000 Total Other Revenue	319,269
499999000 Gross Revenues	155,485,101
509999000 Total Gas Purchased for Resale	105,641,921
501999000 Fuel for Electric Generation	-
502999000 Total Purchased Power	-
504999000 Gas Storage Total	-
503999000 Total Gas Marketing Costs	-
579999000 Total Other COS	-
580000000 FAS 133 Gain/Loss	14,152
589999000 Total Cost of Sales	105,656,073
599999000 Total Net Revenues	49,829,028
689999000 Total Operation & Maintenance	26,369,670
690999000 Depreciation, Depletion, & Amortization	5,112,135
693999000 Total Loss on Asset Impairment	-
691999000 Total Gain on Sale of Assets/Property	-
692999000 Other Taxes	1,929,715
698999000 Total Operating Expenses	33,411,520
699999000 Operating Income	16,417,508
	-3,379,824
701999000 Minority Interest	-
Dividend Req's Pref. Stock	-
703999000 Other, Net	1,317,968
709999000 Total Other Income (Deductions)	-2,061,856
719999000 Income from Cont Operations before Taxes	14,355,652
728999000 Income Taxes	4,395,225
729999000 Income from Continuing Operations	9,960,427
730999000 Income from Discontinue Ops - Net of Tax	-
731999000 Change in Accounting - Net of Taxes	-
Net Income Before Subsidiaries	9,960,427
732999000 Total Earnings of Subsidiaries	-
739999000 Net Income	9,960,427
740000000 Dividend Req'd on Pref Stock	-
759999000 Balance Avail for Common Shares	9,960,427

Columbia Gas of Kentucky, Inc.
Balance Sheet
ended Septemeber 30, 2004

September 2004

ASSETS

Property, Plant and Equipment

Utility Plant	239,582.51
Accumulated Depreciation and Amortization	-85,879.47
Net Utility Plant	153,703.05
Gas and Oil Producing Properties, Successful Efforts Method	
Net Property, Plant and Equipment	153,703.05

Investments and Other Assets

Current Assets

Cash and Cash Equivalents	273.24
Accounts Receivable - Unaffiliated	4,575.22
Accounts Receivable - Affiliated	1,773.22
Unbilled Revenue	2,221.00
Gas Inventory	20,256.30
Underrecovered gas and fuel costs	5,909.07
Materials and Supplies, at Average Cost	64.80
Exchange gas receivable	263.21
Current regulatory assets	495.81
Prepayments and Other	995.97
Total current assets	36,827.83

Other Assets

Noncurrent regulatory assets	2,613.52
Intangible assets, less accum amort	-
Deferred charges and other	1,151.83
Total Other Assets	3,765.35
Total Assets	194,296.22

Columbia Gas of Kentucky, Inc.
Balance Sheet
ended Septemeber 30, 2004

September 2004

CAPITALIZATION and LIABILITIES

Capitalization

Common Stock Equity	74,080.24
Preferred Stocks -	
Company-obligated mandatorily redeemable preferred securities	
Long-term debt, excluding amounts due within one year	42,123.24
Total capitalization	116,203.48

Current Liabilities

Current portion of long-term debt	33.97
Short-term borrowings	-
Accounts Payable - Unaffiliated	7,762.70
Accounts Payable - Affiliated	3,438.00
Customer deposits	2,557.91
Taxes accrued	2,763.08
Interest accrued	64.03
Price risk management liabilities (current)	-
Exchange gas payable	4,005.11
Current regulatory liabilities	3,206.63
Accrued liability for postretirement and postemployment benefits-	163.14
current	
Other Accruals	11,201.68
Total current liabilities	35,196.25

Other Liabilities and Deferred Credits

Deferred income taxes	15,103.57
Deferred investment tax credits	1,139.86
Accrued liability for postretirement and postemployment benefits-	1,506.60
noncurrent	
Noncurrent regulatory liabilities	23,779.44
Other noncurrent liabilities	1,367.04
Total noncurrent liabilities	42,896.50

Total capitalization & liabilities	194,296.22
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**BEFORE THE PUBLIC SERVICE COMMISSION
CASE NO. 2000-129
INFORMATION REQUESTED BY THE PUBLIC SERVICE COMMISSION
IN ORDER DATED JUNE 30, 2000**

From the Order at Page B-6:

As such situations occur, Columbia of Kentucky shall file copies of the Articles of Incorporation and bylaws of affiliated companies that will be in businesses related to the electric or gas industry or that will be doing business with Columbia of Kentucky.

Response:

Please see attached Articles of Incorporation and Certificate of Authority to transact business in Kentucky for Central Kentucky Transmission Company.

Central Kentucky Transmission Company ("CKT") is a wholly-owned subsidiary of Columbia Gas of Kentucky formed to hold the assets purchased by Columbia Gas of Kentucky from Columbia Gas Transmission Corporation. No PSC approvals were required for the creation of this affiliate as CKT is subject to the jurisdiction of the Federal Energy Regulatory Commission.

Delaware

PAGE 1

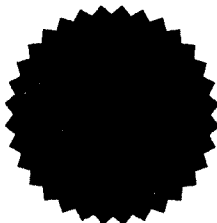
The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "CENTRAL KENTUCKY TRANSMISSION COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF SEPTEMBER, A.D. 2004, AT 5:32 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

3852800 8100

040655681



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3342529

DATE: 09-10-04

**Certificate of Incorporation
of
Central Kentucky Transmission Company**

FIRST: The name of the corporation ("Corporation") is Central Kentucky Transmission Company.

SECOND: The address of the registered office of the Corporation in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington 19808, County of New Castle. The name of the registered agent of the Corporation in the State of Delaware at such address is Corporation Service Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law, as amended.


FOURTH: The Corporation has the authority to issue 1,000 shares of stock. The par value of each share is \$.01. All such shares are of one class called Common Stock.

FIFTH: The name and the mailing address of the incorporator are Gary W. Pottorff, Corporate Secretary, NiSource Inc., 801 E. 86th Avenue, Merrillville, IN 46410.

SIXTH: The Board of Directors of the Corporation has the power to adopt, amend, or repeal the By-Laws of the Corporation.

SEVENTH: A director may not be held personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty. However, a director will be liable to the extent provided by applicable law, (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law or (iv) for any transaction from which the director derived an improper personal benefit. Any amendment or repeal of this Article will not affect the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director that occurred prior to such amendment.

I, the undersigned, for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this 9th day of September, 2004.



Gary W. Pottorff, Incorporator

COMMONWEALTH OF KENTUCKY
TREY GRAYSON
SECRETARY OF STATE



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P101

Trey Grayson
Secretary of State
Received and Filed
10/20/2004 3:37:29 PM
Fee Receipt: \$90.00

APPLICATION FOR CERTIFICATE OF AUTHORITY

Pursuant to the provisions of KRS Chapter 271B, 273 or 274, the undersigned hereby applies for authority to transact business in Kentucky on behalf of the corporation named below and for that purpose submits the following statements:

1. The corporation is ☒ a business corporation (KRS 271B). ☐ a nonprofit corporation (KRS 273).
☐ a professional service corporation (KRS 274).

2. The name of the corporation is

Central Kentucky Transmission Company

3. The name of the corporation to be used in Kentucky is

Same

(If "real name" is unavailable for use)

4. Delaware is the state or country under whose law the corporation is incorporated.

5. 9/9/2004 is the date of incorporation and the period of duration is Perpetual

6. The street address of the corporation's principal office is

2001 Mercer Road, Lexington, KY 40512

Street

City

State

Zip Code

7. The street address of the corporation's registered office in Kentucky is

421 West Main Street, Frankfort, KY 40601

Street

City

State

Zip Code

and the name of the registered agent at that office is

Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company

8. The names and usual business addresses of the corporation's current officers and directors are as follows:

President Glen L. Kettering 12801 Fair Lakes Pkwy., Fairfax, VA 22033

Vice President Jeffrey W. Grossman 801 E. 86th Avenue, Merrillville, IN 46410

Secretary Gary W. Pottorff

"

Treasurer David J. Vajda

"

Directors Joseph W. Kelly 2001 Mercer Road, Lexington, KY 40512

William Harris Marple 1700 McCorkle Ave., S.E., Charleston, WV 25314

(Attach a continuation sheet, if necessary)

9. If a professional service corporation, all the individual shareholders, not less than one half of the directors, and all of the officers other than the secretary and treasurer are licensed in one or more states or territories of the United States or District of Columbia to render a professional service described in the statement of purposes of the corporation.

10. A certificate of existence duly authenticated by the Secretary of State accompanies this application.

11. This application will be effective upon filing, unless a delayed effective date and/or time is specified:

(Delayed effective date and/or time)

Gary W. Pottorff
Signature

Gary W. Pottorff, Corporate Secretary
Type or Print Name & Title

Date: Oct. 12, 2004

Corporation Service Company d/b/a
CSC-Lawyers Incorporating Service Company

1. _____
Type or print name of registered agent

consent to serve as the registered agent on behalf of the corporation.

By: Delores Burton

Signature of Registered Agent

Delores Burton
Type or Print Name & Title

Asst. Sec.

Directors / Officers Report

As of 10/6/2004

Central Kentucky Transmission Company

Directors

Joseph W. Kelly **Director**
Primary Address: Columbia Gas of Kentucky, Inc.
2001 Mercer Road
Lexington, Kentucky 40512 (United States)

Glen L. Kettering **Director**
Primary Address: 12801 Fair Lakes Pkwy.
Fairfax, Virginia 22033 (United States)

William Harris Marple **Director**
Primary Address: 1700 MacCorkel Avenue, S.E.
P.O. Box 1273
Charleston, West Virginia 25314 (United States)

Officers

Glen L. Kettering **President**
Primary Address: 12801 Fair Lakes Pkwy.
Fairfax, Virginia 22033 (United States)

Victor M. Gaglio **Vice President, Field Services, Operations**
Primary Address: 1700 MacCorkel Avenue, S.E.
P.O. Box 1273
Charleston, West Virginia 25314 (United States)

Jeffrey W. Grossman **Vice President**
Primary Address: 801 E. 86th Avenue
Merrillville, Indiana 46410 (United States)

Carl W. Levander **Vice President, Marketing and Regulatory Strategy**
Primary Address: 12801 Fair Lakes Pkwy.
Fairfax, Virginia 22033 (United States)

William Harris Marple **Vice President, Pipeline Operations**
Primary Address: 1700 MacCorkel Avenue, S.E.
P.O. Box 1273
Charleston, West Virginia 25314 (United States)

Reed D. Robinson **Vice President, Engineering Services**
Primary Address: 1700 MacCorkel Avenue, S.E.
P.O. Box 1273
Charleston, West Virginia 25314 (United States)

David J. Vajda **Vice President and Treasurer**

Directors / Officers Report

As of 10/6/2004

Central Kentucky Transmission Company

Primary Address: 801 E. 86th Avenue
Merrillville, Indiana 46410 (United States)

Michael D. Watson

Vice President, Pricing and Volume Management

Primary Address: 12801 Fair Lakes Pkwy.
Fairfax, Virginia 22033 (United States)

Karen D. Townsend

Controller

Primary Address: 200 Civic Center Drive
Columbus, Ohio 43215 (United States)

Gary W. Pottorff

Corporate Secretary

Primary Address: 801 E. 86th Avenue
Merrillville, IN 46410 (USA)

John M. O'Brien

Assistant Controller

Primary Address: 200 Civic Center Drive
Columbus, Ohio 43215 (United States)

Vincent V. Rea

Assistant Treasurer

Primary Address: 801 E. 86th Avenue
Merrillville, Indiana 46410 (United States)